

# MEMO to MAILERS

UNITED STATES POSTAL SERVICE  
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## PERIODICALS TEAM makes RECOMMENDATIONS

**"We hope to see  
more mail coming  
in on pallets  
deeper into the  
system."**

Harvey Slentz  
Manager  
Strategic Operations Planning

**P**eriodicals mailers have been concerned that the costs attributed to processing and delivering their publications have been rising faster than other classes of mail. "With more worksharing, costs should be coming down," observes Rita Cohen, a senior vice president with the Magazine Publishers of America.

A task force made up of industry and postal representatives was formed, called the Periodicals Operations Review Team, jointly sponsored by the Postal Service, the Magazine Publishers of America and the American Business Press. The team was headed by Cohen and Harvey Slentz, manager, Strategic Operations Planning for the Postal Service, to look at operations issues that adversely affect efficient Periodicals processing and lead to higher costs.

The task force, which was comprised of 15 members, visited five metro areas, including 15 plants, 13 delivery units and two printers. "We were interested in the end-to-end process of what contributed to cost," Slentz says.

[continued on page 3](#)

## WHAT'S INSIDE:

- 2** *PostalOne!*
- 3** NONPROFIT RATE CORRECTION
- 4** POSTAL SERVICE GIVES GLOBAL ACCESS
- 5** MAIL BENEFITS THE ENVIRONMENT
- 6** POSTAL BRIEFS
- 8** SERVICE TO CHINA EXPANDED

## LEGISLATIVE UPDATE

### Senate passes sweepstakes legislation

**T**he U.S. Senate unanimously passed legislation designed to end deceptive sweepstakes mailing practices. The legislation gives the Postal Service greater investigative authority to protect the public from deceptive mailings, including the ability to impose civil fines of up to \$2 million on companies that violate the new regulations. The measure was supported by a broad coalition of consumer groups, older American groups and the Direct Marketing Association.

The legislation requires the contest sponsors to clearly state the consumers' chances of winning and prohibits claims that consumers are winners of prizes if they are not. Sweepstakes firms must prominently display that no purchase is necessary to enter the contest; that purchases will not improve the chances of winning; the estimated odds of winning and value of prizes; and the names and addresses of the sponsors. The bill also prohibits mailings that look like official government mail.

The issue now goes to the House for subcommittee hearings on similar legislation.

### NNA supports HR 22

The National Newspaper Association has announced its support of H.R. 22, the postal reform legislation. In a statement to government Reform Committee Chairman Dan Burton (R-IN), NNA President Lockwood Phillips said, "We agree that a Postal Service that is well prepared for the next century will be the institution that best serves the American public." Postal Subcommittee Chairman John McHugh (R-NY) praised the NNA for its effort to understand and accept the bill, saying, "It has been possible to work through the concerns of various stakeholders — those truly interested in

[continued on page 3](#)



**A dock-transferred  
pallet can enter and  
leave a plant in a  
matter of minutes.**

# **PostalOne!** will transform **BUSINESS MAIL ACCEPTANCE**

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**“We’re working on finding  
solutions for mailers of all sizes  
and classes of mail.”**

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Bob Kooken  
Program Manager  
*PostalOne!*

**T**o better meet the changing needs of the mailing industry, the Postal Service has launched a new initiative, *PostalOne!*

*PostalOne!* will be a comprehensive information system to support bulk mail acceptance, reporting, postage payment, transportation and data exchange. It is designed to in-

tegrate mailer and Postal Service processes and ease bulk mail acceptance.

As one part of the Postal Service’s new Information Platform, *PostalOne!* will provide information access, documentation, verification, transportation management and postage payment processing. In other words, *PostalOne!* will become

a virtual electronic business partner with the mailing industry.

One part of the *PostalOne!* system currently being tested lets large volume First-Class mailers reduce mailing production time from letter insertion to loading dock. It’s an integrated system that uses a quality control process and a Fully Automated Scan-Where-You-Band (FASWYB) machine that aligns the mailer’s production system with the Postal Service’s induction and transportation system.

According to John Sexton, manager, Business Mail Acceptance, “This program gives new meaning to ease of use for our large volume First-Class mailers. It will reduce their cycle time from the time they set up a mailing to the time it’s out the door.”

Integral to the program is a quality process redesign. A survey at the mailer’s plant is completed to determine the mailer’s requirements, then acceptance/verification procedures are reviewed. Bob Kooken, program manager, explains, “We work with the mailer to implement a comprehensive mail preparation quality control program that supports *PostalOne!* implementation. This involves establishing standards for every step in the mail production process. It will help the mailer hold the line on costs and improve the movement of mail through the system by speeding the process of mail acceptance and assigning transportation.”

Also central to the process is the new FASWYB machine. As

mail moves from the inserter through the FASWYB conveyor system, it is weighed, sleeved and banded; barcoded tray labels are read and automatically matched with an electronic manifest; and the most efficient means of transportation is assigned through connection to the STARSHIP system. All the data needed for mail verification are stored in the system.

The benefits for the mailer are many. Mail acceptance and verification are streamlined, with less paperwork. The automated mail handling brings labor savings and requires less floor space. By assigning transportation in-house, staging time is reduced. The mail is sent on the most efficient means of transportation, making delivery times more consistent. “The process has reduced the cycle time in half at some test sites,” Kooken says.

The system is currently being tested at eight large volume First-Class mailers such as AT&T and Chase Bank. The program is currently designed for mailers who mail 300–500 thousand pieces daily, with a 1,000 trays per day minimum. “We’re working on finding integrated solutions for mailers of all sizes and classes of mail,” Kooken adds.

Future applications for the *PostalOne!* system include integrating with the Postal Electronic Payment Platform for automatic payment options, as well as track-and-trace capability over the Internet with the implementation of Radio Frequency ID tags in mail pallets. ■



**Jim Hess, *PostalOne!* program manager, examines the FASWYB machine installed at First Data Resources.**

# Postal Service **CORRECTS** nonprofit rate anomaly

**T**he Postal Service has corrected a rate anomaly that affected some Nonprofit and Classroom Periodicals mailers. The rate changes that went into effect in January 1999 resulted in some instances where the Nonprofit and Classroom rates produced higher postage amounts than Regular Periodicals rates for certain publications.

To remedy this, those Nonprofit Periodicals can now be mailed at the Regular Periodical rates if the Regular rates are lower than the Nonprofit rates.

The Postal Service has also gone a step further. With the approval of the Board of Governors, the Postal Service will allow refunds for the difference between the postage paid at the Nonprofit or Classroom rate and the com-

puted Regular rate on mailings made between January 10, 1999, and July 31, 1999. Details on the refund procedure are in the April 26, 1999

*Federal Register*.

"It is important to respond to the mailing community in a fair and reasonable fashion when issues such as these are identified," says Anita Bizzotto, vice president, Marketing Systems.

Neal Denton, executive director of the Alliance of Non-

profit Mailers, says, "This is tremendous news for Nonprofit mailers. It demonstrates that the rate process can work very well when everyone works together. Our hats are off to the Board of Governors, the Postal Rate Commission and Postal Service management for acting so quickly to correct this unintended anomaly."

Nonprofit mailers can contact their local post office or business mail entry unit for more information about the rates. Classification revisions appearing in the *Domestic Mail Manual*, the *Federal Register*, and the *Postal*

*Bulletin* can be found on the Postal Explorer website at <http://pe.usps.gov>. ■

## "This is tremendous news for Nonprofit mailers."

Neal Denton  
Executive Director  
Alliance of Nonprofit Mailers

## LEGISLATIVE UPDATE continued from page 1

achieving improvements and efficiencies in our current postal system." McHugh added that "Opponents of H.R. 22 are opponents of the Postal Service," and noted the "misconceptions and factually incorrect information spread by many...deep-pocket organizations intent on driving a nail in the coffin of the USPS." ■



**Lockwood Phillips**  
President, National  
Newspaper Association

## PERIODICALS TEAM continued from page 1

"A lot of the time, the things being done to improve service were just adding cost," Cohen says. "We want good service, but not at any cost." For example, the team saw extraordinary efforts to get out mail that came in after the Critical Entry Time (CET), which added to the cost of delivery.

"One of the biggest problems for mailers is with bundle breakage — some due to the way it was prepared; some due to the way it was handled," Cohen says. "Some bundles did not come in securely; some couldn't make it through multiple sorts." Breakage incurs substantial piece-by-piece handling costs.

The team found no standard process for dealing with bundle breakage. "There was less standardization than we expected," Cohen says. "You saw an extraordinary effort on service, without thinking about the cost."

"The publishers need feedback from the Postal Service when there's a consistent breakage problem," Cohen continues. "The printers are told, but not the publishers."

"We also saw mail coming in that wasn't presented correctly," Cohen adds. "There's a fair amount of tolerance for this in the field, but it adds to cost. Again, publishers need feedback if their mail is not prepared correctly. Even if the preparer is notified, the owner never hears."

Slentz suggests making up

separate pallets and sending them to different plants instead of one big pallet that has to be broken down. "We hope to see more mail coming in on pallets deeper into the mail system," he says.

The team's recommendations for mailers include:

- **More five-digit pallets.** Finer breakdowns that bypass the plants and go directly to destination delivery units. This will reduce the potential for bundle breakage.
- **Better address/bar code quality.** Addressing and bar code quality are not as evolved for flats as they are for letter mail, but there is much room for improvement.
- **Better bundle integrity.** Many mailer bundles cannot withstand multiple handling.

There is not a consistent level of bundle preparation.

Proper mail entry is important. As Slentz says, it's "the right mail at the right location at the right time." Problems noted by the team included mail going to the wrong plant or all mail for one state being shipped to a single site to save trucking costs. This meant reloading onto trips to the correct facilities, which led to more expense and worse service. Another problem was found with mail arriving late, after the CET.

Cohen says, "Mailers should seek out the information — does the mailing have the right make-up; are they taking it to the right place; is there anything their printer needs to be doing? If the Postal Service tells us what would work best, we'll provide it." ■



**B**eing far from an urban center is no longer a drawback when you are wired to the Internet and use the Postal Service. The Internet enables anyone with a computer to communicate and do business with anyone in the world. The Postal Service enables anyone to deliver their goods anywhere on earth.

The village of Julian, PA, doesn't look like a hub of international commerce. Its one gas station and pottery shop don't give the impression of much commercial activity in this town of 400 people. Situated hours from the nearest seaport or international airport, the town doesn't seem as if it would lend itself to worldwide trade. But Julian has all it needs for its residents to do business around the globe: an Internet connection and a post office.

It's 4:30 p.m. and Billie Sidwell is racing against the clock to get her shipment of Jerry Garcia dolls ready before the truck arrives for dispatch. Their destination — Japan.

"Send them Express Mail. It hardly costs any more, it's faster and it's automatically insured," she informs the clerk. Sidwell advertises her wares in trade publications and on the Internet, taking orders and payments either by e-mail, over her toll-free number or through the mail. Her domestic orders are shipped by Priority Mail. "I love the free Priority boxes," she says. "They're just the right size."

"I especially love the Postal Service because it takes about three days to get mail across the country to California," says Sidwell. "Priority Mail is the quickest and cheapest to Hawaii. You can't beat Priority Mail to Hawaii."

Meanwhile her mate, sculptor Mike "The Viking" Johannsen, is polishing up his website, where he sells his mod-

# POSTAL SERVICE gives SMALL BUSINESSES global access

by Steve Kochersperger, Postmaster, Julian, PA



**The popular eBay Internet auction site has a direct link to Priority Mail shipping information, promoting the Postal Service as the shipper of choice for e-commerce.**

eling kits and instructional videos. "Modeling is the number one hobby in Japan," he says, "so they are among my best customers."

Tracy Janowiak is a pharmacist by profession, but her passion is antiques. Before she heads to work this morning, she's going to an antique auction. Where in the world is there an auction at 6:30 in the morning? At a website called eBay, the auction goes on 24 hours a day. eBay, Inc. ([www.ebay.com](http://www.ebay.com)) is the best known of the online auction services, hosting more than 2 million auctions per month in over 1,000 categories.

Thanks to the Internet and eBay, Janowiak has been able to turn a hobby into a profitable home business. "I found it to be

much more financially rewarding than the Co-op Antique Mall, where I rented space to sell my antiques," she says. "There is a much quicker turnover in inventory by selling through eBay. An item may sit on the shelf for months at an antique mall, but is usually sold within a week on eBay."

Janowiak usually posts new items once a week. The seller can set the minimum bid and set the duration of the sale to three, five or seven days. Then, according to Janowiak, "the fun begins" as you watch prospective buyers place bids for your items. "It's so much fun to watch an item obtain bids," she says. "Things really start to move on the last day."

**continued on page 5**

## DRUGSTORE COWBOYS

**D**rugstore.com, an online pharmacy and drugstore based in Texarkana, TX, is using Priority Mail to meet its customers' demands for fast service. Its initial shipment in January 1999 was 129 Priority Mail pieces. That number has exploded to 120,000 pieces mailed in June.

Postmaster Craig Herring said Postal Service Tactical Marketing Sales Specialist Karl White and Operations Specialist David Griffin convinced drugstore.com to make the Postal Service its primary delivery company. Another key factor was the assistance of Mike Owens and Roger Bender of the Southwest Area's Distribution Network Office who secured additional transportation to support drugstore.com's growing volumes. Herring and his employees monitor the mail to ensure that delivery expectations are met.

Says Herring, "It's exciting, not only for the Postal Service but for business in general, to witness the growth of a company like drugstore.com." The company has now expanded its distribution hours from five days a week to seven days a week, 24 hours each day.

"The success of this account is testimony to a total team effort from the Dallas District and Postmaster Herring and his staff," say White and Griffin. "Our goal now is to maintain and ultimately help grow drugstore.com. into a National Account for the U.S. Postal Service." ■

# MAIL benefits the ENVIRONMENT

**T**he direct mail industry can be credited with reductions of 66,000 tons of air pollutants and 97 million gallons of gasoline, and with saving nearly 40 lives and avoiding thousands of injuries each year, according to a Postal Service study.

The study, titled "The Environmental Impact of Standard Mail (A)," weighs the environmental costs of disposing of advertising mail and other direct mail versus the environmental benefits it provides by reducing automobile trips for those who choose to shop at home. Stan-

dard Mail (A) is nearly 90 percent advertising mail.

Dennis Baca, manager, Environmental Management Policy for the Postal Service, released the report at a monthly meeting of the Postal Service Board of Governors. The study was prepared for the Postal Service by an independent research firm, Project Performance Corporation.

Despite the ongoing efforts of the Postal Service to improve the environment, some competitors have raised issues questioning the impact of direct mail on the environment.

"This study demonstrates that the environmental benefits of direct mail outweigh its costs," said Fran McPoland, the Federal Environmental Executive. "The Postal Service's environmental leadership has contributed greatly to this development."

The report highlights these annual benefits and savings:

- Reductions of 38 deaths, 3,159 injuries and \$47 million in property damage;
- Reduction of more than 66,000 tons of pollutants per year; and
- Reduction in gasoline consumption of 97 million gallons per year.

This all adds up to total annual benefits from direct mail of \$398 million, more than triple the estimated \$126 million cost of disposing of it. The study found that Standard Mail accounts for only 2 percent of solid

waste, far less than other waste types such as plastics, metals, food wastes, glass and other paper and paperboard products.

In addition to being good for the environment, direct mail is also good for the American economy. The study shows that advertising mail is viewed favorably by most households that receive it. About 73 percent of households read or look at this mail, and more than 62 percent find it useful or interesting. Americans purchase nearly \$400 billion worth of products through the mail annually, providing convenient shopping for millions of Americans every day, including the disabled and the housebound.

The Environmental Impact of Standard Mail (A) Report can be found on the postal website at: <http://www.usps.com/enviro/webpages/amil.pdf>. ■

## GLOBAL ACCESS

continued from page 4

After the auction has ended, Janowiak contacts the highest bidder and arranges payment. Most send checks or money orders before the items are shipped, but C.O.D. is also an option. When it's time to ship these treasures, she heads for the post office.

"I have decided to ship all my items via the Postal Service," Janowiak says. "Not only am I able to determine shipping charges via the postal website, but customers also have the choice of Priority Mail or Parcel Post, and whether or not they want insurance. It's much more flexible than the alternative, not to mention that the people working at my post office are just wonderful to deal with."

The free boxes and mailing labels don't hurt either. Free Priority Mail supplies offer home businesses professional-looking

packaging at no additional cost. "The Priority Mail boxes are a convenient way to send the smaller items sold on eBay," notes Janowiak. "Not only do they store easily, but they are quick and easy to assemble when needed. Being able to order them via the Postal Service website is another plus." In addition, eBay's home page features a prominent link to the Postal Service's website, [www.usps.com](http://www.usps.com), where packaging materials can be directly ordered via computer.

But for many small business operators, the Postal Service offers more than fast, convenient shipping. There is security in using the mails that the competition can't match.

"Mail order is a risk," says Sidwell. "I feel safer dealing with the U.S. government, as mail fraud is a federal crime.



**Tracy Janowiak, a pharmacist in Julian, PA, ships all of the antiques she sells on eBay by Priority Mail.**

That protects me, and having a post office box protects my anonymity."

No one can say with any certainty where the electronic marketplace will be in another decade or two. Even the most

conservative projections show that e-commerce hasn't reached a fraction of its potential. One thing is for certain — the Postal Service is poised to become the shipper of choice for home Internet businesses. ■

## LETTERS FROM CUSTOMERS

### Isabel Wrotkowski

Publisher  
Manticore Publishers  
Grimsby, Ontario

Dear Editor:

We are a small, privately owned Canadian publishing company with 90 percent of our clients located in the U.S. We enjoy reading the stories in *Memo to Mailers*, and thought we would share ours.

It was becoming exceedingly more expensive to ship our books, both single copies and multiple textbook orders, to our U.S. customers. Time was also becoming an issue, with cross-border customs problems and related expenses.

We made the decision about two years ago to open a post office box in Lewiston, NY, as we are approximately a half-hour from the border. U.S. Customs charges us a fee of \$5 "for doing business in the U.S.," and the staff at Lewiston is among the best in North America.

Most of our single book orders will fit in a Priority Mail pouch, and we take heavy advantage of this. The convenience of free packaging, free customs labels and free delivery to our offices in Canada cannot be compared to anything available to us in Canada.

Now that we can get Delivery Confirmation for an additional 35 cents per package, we ship 90 percent of our textbooks through Priority Mail as well. Customers at the college bookstores are delighted that they can get their orders within a few days, at no additional cost!

In the past, they were required to pay additional delivery charges to get textbooks on a priority service through UPS or alternative couriers. Many whom we have spoken to have informed us that they too will be switching to Priority Mail to ship returns, etc.

Fast, efficient, reliable service with a smile. This is how we describe the United States Postal Service. It is important to us to mention that Joan is our regular postal clerk in Lewiston. She has educated us to every available service (which we frequently take advantage of), and she deserves a customer service award for the excellent care she takes to keep her customers happy!

Regardless of how busy they are in Lewiston, they understand how important we are, and always treat us with kindness and respect. The Canadian postal service could learn a great deal from the U.S. Postal Service, and as more and more Canadian companies avail themselves of your services, perhaps lessons can be learned.

Sincerely,

Isabel Wrotkowski

## USPS CO-SPONSORS NEW BUSINESS WEB SITE

The Postal Service is one of the sponsors of a new Internet site to provide support for small businesses. The Web site, called Bizzed.com, was launched by Citigroup's e-Citi division to provide one place for entrepreneurs to find the tools and business solutions they need to run their business.

Bizzed.com has established relationships with world-class business partners, such as AT&T, IBM, ADP, and the Postal Service, that growing businesses can trust to help develop their enterprises. As the world's largest postal delivery service, the U.S. Postal Service is the only service that delivers daily to every household and business in the country and can provide invaluable direct mail support services.

"We are excited to join Citigroup and Bizzed.com with new Web-based business solutions," says Postal Service Treasurer Stephen Kearney. "The Postal Service's expertise in facilitating communications and Citigroup's expertise in financial services are a powerful combination that can help small businesses succeed."

Postal Service business products, shipping services and supplies, online stamp purchases, tracking and delivery confirmation and a wealth of other information are just a mouse-click away at Bizzed.com.

## NEW HOUSEHOLD MAIL STUDY

A new household mail survey is being conducted. The Postal Service signed a contract with Nu-Stats International of Austin, TX, to survey 5,300 households annually on how they use the mail. The House-

hold Diary Study has been conducted yearly since 1987 and examines both mail sent to and received by households. The results of the study are used to better understand customer requirements, to improve service and to help forecast demand for mail services.

## DIRECT MAIL USE UP

Direct mail spending will grow by nearly 4 percent this year according to Robert J. Coen, director of forecasting for McCann-Erickson Worldwide. Figures show that in the first quarter of 1999, direct mail rose by 3.5 percent. Advertisers are projected to spend \$41.2 Billion on direct mail this year.

## FT. WORTH/DALLAS CONFERENCE

Vendors who want to exhibit at the Ft. Worth & Dallas Mailer's Conference 2000 on February 28 should register now. The conference will be in the new Grand Ballroom at the Arlington Convention Center. The cost is \$450, which includes carpeting, piping, drapery and guest passes. Applications and checks should be sent to:

Kathy Hinton  
Ft. Worth PCC  
P.O. Box 162871  
Ft. Worth, TX 76161-2871

Make checks payable to "Fort Worth Postal Customer Council."

## MAILING ONLINE WINS AWARD

While still in testing and development, NetPost-Mailing Online earned the first-place award for Innovative Use of Technology at the 1999 On Demand Digital Printing and Publishing Strategy Conference in New York, NY. NetPost-Mailing Online uses the Internet to streamline the process of pro-



ducing, printing and depositing small-volume mass mailings. What normally takes a small business a week to prepare can now be done virtually overnight — all without the customer leaving his desktop computer.

Users create their mailpieces on their personal computers. The document file and a mailing list are then uploaded to a secure website, which sends the files to a Postal Service contracted printing-and-mailing service for printing and deposit into the mailstream. The mailing lists are cross-checked with Postal Service databases to verify mailing address elements and ZIP Codes, saving customers the added expense of returned mailpieces. The mailpieces themselves are presorted and prepared with automation barcodes for maximum processing speed and deliverability.

First introduced in March 1998 as the Mailing Online component of Post Office Online, NetPost-Mailing Online is currently being tested in New York, Boston, Philadelphia, Hartford and Tampa. Market test prices (including printing) are \$0.396 for a two-page First-Class letter and \$0.309 for the same letter at Standard Rate. A permanent pricing structure is yet to be determined. If testing proves successful, postal management will seek approval later this year from the Board of Governors prior to submitting a classification filing to the Postal Rate Commission in preparation for a national rollout.

## DINERS CLUB NOW ACCEPTED

Seven million Diners Club members will soon be able to use their charge cards at post offices nationwide. Card acceptance has begun in California

and New York. Acceptance at other offices will be phased in over the next six months.

## POS ONE CONTRACT AWARDED

NCR Corp. has been awarded a contract under the second stage of the POS One deployment to add 3,500 retail terminals. The POS One system provides window clerks with all of the functions they need to assist customers. It includes a scale, printer, scanner, keypad and other peripherals. The computerized system will provide data for inventory management, money order sales and ZIP Code lookup. When the system is fully deployed, a total of 73,000 terminals will be installed, which can handle 96 percent of all retail transactions.

## EXCELLENT VALUE

The latest Roper Poll shows that the Postal Service leads all service industries in the ranking of services that give "excellent" or "good" value for the dollar. The Postal Service had a ranking of 76 percent, up 3 percent from last year.

## POLAROID'S POPSHOTS GO PRIORITY MAIL

Polaroid's new recyclable single-use instant cameras, called Popshots, are being recycled through Priority Mail. When consumers buy the camera, they get a Priority envelope with prepaid merchandise return service for recycling. Polaroid developed a reusable mechanism and lens for the disposable camera. Focus groups showed that plain return envelopes were easily discarded, but Priority Mail envelopes with postage paid got the needed response. The Postal Service co-branded the special envelope, using both Polaroid and postal

logos. The cameras are available nationwide in Kmart, Wal\*Mart and other retailers. Also being planned is a greeting card film program that uses Polaroid photos with a stand-up greeting card and envelope.

## THREE MORE ENVIRONMENTAL AWARDS WON

The Postal Service has earned three more top environmental awards from the White House. The Closing the Circle awards, sponsored by the Office of the Federal Environmental Executive, recognize federal agencies for contributions to a clean and safe environment. The Postal Service has earned 27 Closing the Circle awards since the program's inception in 1995. This year's three awards recognize the "green" post office building in Ft. Worth, TX, for its efficient and sustainable use of natural resources; the Dallas Purchasing and Materials Service Center for reclaiming internal components of old retail terminals; and the Battery Recycling Program in Royal Oak, MI.



The "green" post office building in Ft. Worth, TX.

## MEMO to MAILERS

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Editor  
Gerald Kreienkamp

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Address Service Requested

## SERVICE to CHINA expanded

The Postal Service has expanded international expedited mail services to China. Following new agreements with the State Postal Bureau of China and Hong Kong Post, customers can now send documents and packages to all addresses in China using our speedy, reliable Express Mail International Service (EMS). In addition, Global Priority Mail (GPM) service has been expanded to 37 Chinese cities, including the capitals of every province, except Lhasa in Tibet.

For the past three years, management teams from the Postal Service have met with executives from China's State Postal Bureau to create a means for goods to pass quickly and efficiently between the two countries.

"We want to create a pipeline for seamless door-to-door service," says James Grubiak, vice president, International Business Unit. "The Internet makes business communication between China and the rest of the world affordable." Anticipating the growth in online shopping in China, the Postal Service joined with the State Postal Bureau of China and China Courier Service to develop the infrastructure necessary for efficient customer service and to provide a range of guaranteed value-added services, including returns.



**Marc Solnik (left), manager, Asia and Pacific Business Development, met with (back row, from right), Mr. M.T. Li of Hong Kong Post, Mr. Shen Hong of China Courier Service, Mr. Wang Biao of China Post and Mr. Xing of General Customs to work out the agreement to expand expedited mail service in China.**

The Green Gold Group in Marathon, WI, has been able to sell ginseng in China at below-market prices using Express Mail International Service. Many people in the United States use the Green Gold Group to send ginseng as gifts to relatives in China. The Chinese government puts a 45 percent tariff on ginseng imported for retail sale. However, mailing the product for personal use is not subject to the tariffs, so Green Gold is able to sell its product for up to 40 percent less using Express Mail.

Prices for EMS shipments to China start as low as \$18 for the first pound. Shipments are insured against damage or loss up to \$500 at no extra cost. Additional insurance coverage above \$500 is available for merchandise at the rate of 95 cents for each

\$100, up to a maximum of \$5,000.

In response to customer requests, the maximum weight for EMS shipments to China has been increased to 66 pounds. Individual mail order shipments are not subject to customs duty. Shippers can also track their packages using the Postal Service's website, [www.usps.com](http://www.usps.com).

Global Priority Mail is an expedited mail service for items weighing less than four pounds. It is accepted at all postal retail locations. Previously, the service area in China was limited to 16 cities. Now, delivery has been expanded to include 37 cities in 30 provinces. Postage for a flat-rate envelope starts at \$5. Variable weight rates start at \$8 for up to one-half pound. ■